
By: **Senator Dorman**

Introduced and read first time: January 16, 2002

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Teachers' Retirement and Pension Systems - Reemployment of Retired**
3 **Personnel**

4 FOR the purpose of exempting from a certain offset of a retirement allowance retirees
5 of the Teachers' Retirement System or the Teachers' Pension System who are
6 employed in certain personnel positions under certain circumstances; requiring
7 the county boards of education to provide certain information to the State
8 Retirement Agency; requiring certain retirees to meet certain performance
9 requirements for each year of their employment prior to retirement; requiring
10 the State Board of Education to adopt certain regulations; providing for the
11 termination of this Act; and generally relating to the reemployment of retirees of
12 the Teachers' Retirement System or the Teachers' Pension System who serve in
13 certain personnel positions.

14 BY repealing and reenacting, with amendments,
15 Article - State Personnel and Pensions
16 Section 22-406 and 23-407
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 2001 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article - State Personnel and Pensions**

22 22-406.

23 (a) An individual who is receiving a service retirement allowance or vested
24 allowance may accept employment with a participating employer on a permanent,
25 temporary, or contractual basis, if:

26 (1) the individual immediately notifies the Board of Trustees of the
27 individual's intention to accept this employment; and

28 (2) the individual specifies the compensation to be received.

1 (b) (1) The Board of Trustees shall reduce the allowance of an individual
2 who accepts employment as provided under subsection (a) of this section if:

3 (i) the individual's current employer is a participating employer
4 other than the State and is the same participating employer that employed the
5 individual at the time of the individual's last separation from employment with a
6 participating employer before the individual commenced receiving a service
7 retirement allowance or vested allowance;

8 (ii) the individual's current employer is any unit of State
9 government and the individual's employer at the time of the individual's last
10 separation from employment with the State before the individual commenced
11 receiving a service retirement allowance or vested allowance was also a unit of State
12 government; or

13 (iii) the individual becomes reemployed within 12 months of
14 receiving an early service retirement allowance under § 22-402 of this subtitle.

15 (2) The reduction required under paragraph (1) of this subsection shall
16 equal:

17 (i) the amount by which the sum of the individual's initial annual
18 basic allowance and the individual's annual compensation exceeds the average final
19 compensation used to compute the basic allowance; or

20 (ii) for a retiree who retired under the Workforce Reduction Act
21 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual
22 compensation and the retiree's annual basic allowance at the time of retirement,
23 including the incentive provided by the Workforce Reduction Act, exceeds the average
24 final compensation used to compute the basic allowance.

25 (3) A reduction of an early service retirement allowance under paragraph
26 (1)(iii) of this subsection shall be applied only until the individual has received an
27 allowance for 12 months.

28 (4) Except for an individual whose allowance is subject to a reduction as
29 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
30 allowance under this subsection does not apply to:

31 (i) an individual who has been retired for more than 10 years;

32 (ii) an individual whose average final compensation was less than
33 \$10,000 and who is reemployed on a temporary or contractual basis;

34 (iii) an individual who is serving in an elected position as an official
35 of a participating governmental unit or as a constitutional officer for a county that is
36 a participating governmental unit;

37 (iv) a retiree of the Teachers' Retirement System:

- 1 1. who retired and was reemployed by a participating
2 employer other than the State on or before September 30, 1994; and
- 3 2. whose employment compensation does not derive, in whole
4 or in part, from State funds;
- 5 (v) a retiree of the Teachers' Retirement System who:
 - 6 1. is or has been certified to teach in the State;
 - 7 2. has verification of satisfactory or better performance in
8 the last assignment prior to retirement;
 - 9 3. based on the retired teacher's qualifications, has been
10 appointed in accordance with § 4-103 of the Education Article;
 - 11 4. subject to item 5 of this item is employed as:
 - 12 A. a substitute classroom teacher or substitute teacher
13 mentor in a public school that has been recommended for reconstitution, or has been
14 reconstituted, by the State Board of Education, until the public school meets the
15 standards for school performance set by the State Board of Education;
 - 16 B. a classroom teacher or teacher mentor in a public school
17 that has been recommended for reconstitution, or has been reconstituted, by the State
18 Board of Education, until the public school meets the standards for school
19 performance set by the State Board of Education;
 - 20 C. a classroom teacher or teacher mentor in a county or
21 subject area on a statewide basis in which the State Board of Education finds that
22 there is a shortage of teachers, until the State Board of Education finds the shortage
23 no longer exists in that county or subject area on a statewide basis; or
 - 24 D. a substitute classroom teacher or substitute teacher
25 mentor in a county or subject area on a statewide basis in which the State Board of
26 Education finds that there is a shortage of teachers, until the State Board of
27 Education finds the shortage no longer exists in that county or subject area on a
28 statewide basis; and
 - 29 5. receives verification of satisfactory or better performance
30 each year the teacher is employed under item 4 of this item;
- 31 (vi) a retiree of the Teachers' Retirement System who:
 - 32 1. A. was employed as a principal OR ASSISTANT
33 PRINCIPAL within 5 years of retirement; or
 - 34 B. was employed as a principal not more than 10 years before
35 retirement and was employed in a position supervising principals in the retiree's last
36 assignment prior to retirement;

1 (j) If the retiree's last assignment prior to retirement was in a position
2 directly supervising principals as provided under subsection (b)(4)(vi) of this section,
3 the county boards of education shall verify for the State Retirement Agency the
4 retiree's employment as a supervisor and a principal.

5 (k) At the request of the State Retirement Agency:

6 (1) a participating employer shall certify to the State Retirement Agency
7 that it is not the same participating employer that employed an individual at the time
8 of the individual's last separation from employment before the individual commenced
9 receiving a service retirement allowance or a vested allowance; or

10 (2) a unit of State government shall certify to the State Retirement
11 Agency that the individual was not employed by any unit of State government at the
12 time of the individual's last separation from employment before the individual
13 commenced receiving a service retirement allowance or a vested allowance.

14 (l) The Department of Health and Mental Hygiene shall notify the State
15 Retirement Agency of any retirees who qualify under subsection (b)(4)(viii) of this
16 section.

17 23-407.

18 (a) An individual who is receiving a service retirement allowance or a vested
19 allowance may accept employment with a participating employer on a permanent,
20 temporary, or contractual basis, if:

21 (1) the individual immediately notifies the Board of Trustees of the
22 individual's intention to accept this employment; and

23 (2) the individual specifies the compensation to be received.

24 (b) (1) The Board of Trustees shall reduce the allowance of an individual
25 who accepts employment as provided under subsection (a) of this section if:

26 (i) the individual's current employer is a participating employer
27 other than the State and is the same participating employer that employed the
28 individual at the time of the individual's last separation from employment with a
29 participating employer before the individual commenced receiving a service
30 retirement allowance or vested allowance;

31 (ii) the individual's current employer is any unit of State
32 government and the individual's employer at the time of the individual's last
33 separation from employment with the State before the individual commenced
34 receiving a service retirement allowance or vested allowance was also a unit of State
35 government; or

36 (iii) the individual becomes reemployed within 12 months of
37 receiving an early service retirement allowance or an early vested allowance
38 computed under § 23-402 of this subtitle.

1 (2) The reduction required under paragraph (1) of this subsection shall
2 equal:

3 (i) the amount by which the sum of the individual's initial annual
4 basic allowance and the individual's annual compensation exceeds the average final
5 compensation used to compute the basic allowance; or

6 (ii) for a retiree who retired under the Workforce Reduction Act
7 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual
8 compensation and the retiree's annual basic allowance at the time of retirement,
9 including the incentive provided by the Workforce Reduction Act, exceeds the average
10 final compensation used to compute the basic allowance.

11 (3) A reduction of an early service retirement allowance or an early
12 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until
13 the individual has received an allowance for 12 months.

14 (4) Except for an individual whose allowance is subject to a reduction as
15 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
16 allowance under this subsection does not apply to:

17 (i) an individual whose average final compensation was less than
18 \$10,000 and who is reemployed on a temporary or contractual basis;

19 (ii) an individual who is serving in an elected position as an official
20 of a participating governmental unit or as a constitutional officer for a county that is
21 a participating governmental unit;

22 (iii) a retiree of the Teachers' Pension System who:

23 1. is or has been certified to teach in the State;

24 2. has verification of satisfactory or better performance in
25 the last assignment prior to retirement;

26 3. based on the retired teacher's qualifications, has been
27 appointed in accordance with § 4-103 of the Education Article;

28 4. subject to item 5 of this item is employed as:

29 A. a substitute classroom teacher or substitute teacher
30 mentor in a public school that has been recommended for reconstitution, or has been
31 reconstituted, by the State Board of Education, until the public school meets the
32 standards for school performance set by the State Board of Education;

33 B. a classroom teacher or teacher mentor in a public school
34 that has been recommended for reconstitution, or has been reconstituted, by the State
35 Board of Education, until the public school meets the standards for school
36 performance set by the State Board of Education;

1 C. a classroom teacher or teacher mentor in a county or
 2 subject area on a statewide basis in which the State Board of Education finds that
 3 there is a shortage of teachers, until the State Board of Education finds the shortage
 4 no longer exists in that county or subject area on a statewide basis; or

5 D. a substitute classroom teacher or substitute teacher
 6 mentor in a county or subject area on a statewide basis in which the State Board of
 7 Education finds that there is a shortage of teachers, until the State Board of
 8 Education finds the shortage no longer exists in that county or subject area on a
 9 statewide basis; and

10 5. receives verification of satisfactory or better performance
 11 each year the teacher is employed under item 4 of this item;

12 (iv) a retiree of the Teachers' Pension System who:

13 1. A. was employed as a principal OR ASSISTANT
 14 PRINCIPAL within 5 years of retirement; or

15 B. was employed as a principal not more than 10 years before
 16 retirement and was employed in a position supervising principals in the retiree's last
 17 assignment prior to retirement;

18 2. has verification of better than satisfactory performance for
 19 each year as a principal OR ASSISTANT PRINCIPAL and, if applicable, in a position
 20 supervising principals prior to retirement;

21 3. A. WAS EMPLOYED AS A PRINCIPAL OR IN A POSITION
 22 SUPERVISING PRINCIPALS IN THE RETIREE'S LAST ASSIGNMENT, AND based on the
 23 retiree's qualifications, has been hired as a principal; OR

24 B. WAS EMPLOYED AS AN ASSISTANT PRINCIPAL IN THE
 25 RETIREE'S LAST ASSIGNMENT, AND BASED ON THE RETIREE'S QUALIFICATIONS, HAS
 26 BEEN HIRED AS AN ASSISTANT PRINCIPAL;

27 4. receives verification of better than satisfactory
 28 performance each year the retiree is employed as a principal OR ASSISTANT
 29 PRINCIPAL under item 3 of this item; and

30 5. is not employed as a principal OR ASSISTANT PRINCIPAL
 31 under item 3 of this item for more than 4 years;

32 (v) an individual who has been retired for more than 10 years; [or]

33 (vi) a retiree of the Employees' Pension System who is reemployed
 34 on a contractual basis by the Department of Health and Mental Hygiene as a health
 35 care practitioner, as defined in § 1-301 of the Health Occupations Article in:

36 1. a State residential center as defined in § 7-101 of the
 37 Health - General Article;

1 (1) any public school that is recommended for reconstitution or has been
2 reconstituted;

3 (2) any public school that is no longer recommended for reconstitution or
4 is otherwise found to meet the standards for school performance set by the State
5 Board of Education after reconstitution or a recommendation for reconstitution;

6 (3) any county or subject area on a statewide basis in which the State
7 Board of Education finds there is a shortage of teachers; and

8 (4) a finding that there is no longer a shortage of teachers in a county or
9 subject area on a statewide basis.

10 (i) In addition to any regulations adopted in accordance with § 6-202 of the
11 Education Article, the State Board of Education shall adopt regulations concerning
12 the employment terms of retired teachers and personnel described in subsection
13 (b)(4)(iv) AND (VII) of this section.

14 (j) If the retiree's last assignment prior to retirement was in a position
15 directly supervising principals as provided under subsection (b)(4)(iv) of this section,
16 the county boards of education shall verify for the State Retirement Agency the
17 retiree's employment as a supervisor and a principal.

18 (k) At the request of the State Retirement Agency:

19 (1) a participating employer shall certify to the State Retirement Agency
20 that it is not the same participating employer that employed an individual at the time
21 of the individual's last separation from employment before the individual commenced
22 receiving a service retirement allowance or a vested allowance; or

23 (2) a unit of State government shall certify to the State Retirement
24 Agency that the individual was not employed by any unit of State government at the
25 time of the individual's last separation from employment before the individual
26 commenced receiving a service retirement allowance or a vested allowance.

27 (l) The Department of Health and Mental Hygiene shall notify the State
28 Retirement Agency of any retirees who qualify under subsection (b)(4)(vi) of this
29 section.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
31 effect July 1, 2002. It shall remain effective for a period of 2 years and, at the end of
32 June 30, 2004, with no further action required by the General Assembly, this Act shall
33 be abrogated and of no further force and effect.